

**ADDENDUM #1
TO
QUANTITY PURCHASE AGREEMENT**

THIS ADDENDUM TO QUANTITY PURCHASE AGREEMENT #10331 – ASA8-8-24 (the “Addendum”) is entered into this 29th day of October, 2007 (the “Effective Date”) by and between Business Furniture, LLC (“Contractor”) and the Indiana Department of Administration (IDOA) Procurement Division on behalf of All State Agencies (“State”). (Contractor and State are sometimes referred to herein collectively as the “Parties” and each individually as a “Party.”)

PRELIMINARY STATEMENTS

A. Contractor and State entered into that certain Quantity Purchase Agreement (ASA8-8-24 QPA #10331) dated as of September 15, 2007 (the “Original Agreement”), a copy of which is attached hereto as Exhibit A and made a part hereof.

B. Pursuant to the Original Agreement, the Parties agreed that Contractor would (i) supply State with replacement parts and components for Steelcase furniture systems, (ii) install, move and/or remove panel systems, and (iii) plan and manage such projects.

C. The Parties now wish to revise the Agreement to provide that Contractor may utilize supplementary labor provided by State in its fulfillment of the Original Agreement.

D. To those ends, the Parties wish to affirm portions of the Original Agreement and supplement the Original Agreement through this Addendum.

NOW, THEREFORE, in consideration of the mutual covenants herein and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

TERMS

1. Integration with Original Agreement. Contractor and State hereby ratify, affirm and approve all terms and conditions of the Original Agreement, unless the same are specifically amended by this Addendum. In the event of any conflict between the terms of the Original Agreement and the terms of this Addendum, the terms of this Addendum shall take precedence over the Original Agreement, and this Addendum shall govern and control. All references herein to the “Agreement” shall mean the Original Agreement and this Addendum together. All capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Original Agreement.

2. Scope of Services. The provisions of this Addendum and the services described herein relate only to panel systems owned or purchased by the State, and the provision of services with respect thereto. If both Parties are satisfied with the process, work and benefit to Laborers (as defined below) of the arrangement described in this Addendum, the relationship of

the Parties may be expanded to include private sector installments, subject to the mutual agreement of the Parties and the amendment of this Agreement.

- (a) State's Obligations. In addition to the obligations set forth in the Original Agreement, State shall provide Contractor, from time to time, with Contractor's prior consent (required on a project-by-project basis) supplemental labor to assist Contractor in its fulfillment of the terms of the Original Agreement. If Contractor so consents, State shall contract with PEN Products, or a similarly situated labor services provider, and shall cause such labor services provider to provide offender workers ("Laborers") and a PEN Products supervisor(s) ("Supervisors") as requested by Contractor for each work assignment. The Laborers will be selected by PEN Products for each specific task. PEN Products and State shall be responsible for meeting the quality standards specified from time to time by Contractor. State shall be responsible for training and supplying an adequate number of properly equipped on-site staff and guards, trained in the supervision of offenders pursuant to Indiana Department of Corrections Standards, for the reasonable oversight of Laborers. State shall cause such labor services provider to provide, at no additional cost to Contractor, the following services and equipment:

- (i) Transportation of Laborers and Supervisors to and from the work site;
- (ii) All hand tools and safety equipment required for Laborers and Supervisor;
- (iii) All material handling equipment, including but not limited to, pallet jacks, to move the products from the work site to trucks as required;
- (iv) Truck transportation and Laborers or Department of Corrections employee labor to move products from work site to a State designated storage area when required; and
- (v) Storage space to hold new products prior to installation.

- (b) Contractor's Obligations. If Laborers are used on a project, Contractor shall be responsible for the on-site management of the project, which shall include oversight of the work activities of Laborers. Contractor shall oversee the project (although Supervisors are ultimately and directly responsible for effecting the directives of Contractor and direct management of Laborers) and shall be responsible for completion of the installation, design and other work as and to the extent required by the Original Agreement. In addition to the aforementioned obligations, and those set forth in the Original Agreement, if Laborers are used on a project, Contractor shall provide the following services and equipment:

- (i) Reasonable training for Laborers and Supervisors in the installation of panel systems;

- (ii) Reasonable training, as to the nature of the project, of additional on-site (i.e., work site) staff and guards previously trained in the supervision of offender workers;
- (iii) Work assignments for the Laborers and Supervisors;
- (iv) Except as provided in Section 2(a), transportation of all materials and supplies to and from the installation site; and
- (v) Transportation and disposal of all debris created by the installation projects.

(c) Mutual Obligations; Review. At least quarterly following commencement of this Addendum, the Parties shall meet to review the progress of the operation, including the quality and productivity of the objectives set forth herein.

3. Payment of Laborers. Contractor shall not be responsible for any direct payments owed to Laborers and/or Supervisors. State shall be solely responsible for any and all payments owed to PEN Products, Laborers and/or Supervisors.

4. Relationship of the Parties. The relationship of the Parties hereunder shall be construed as that of independent parties. Nothing in this Agreement shall be construed (a) to create a joint venture, partnership, employer/employee relationship, agency or any relationship, or (b) to authorize either Party to undertake any obligations of any kind, express or implied, on behalf of the other Party. Contractor shall not be responsible for withholding any federal, state or other taxes for the benefit of Laborers. State acknowledges that Laborers may be subject to federal, state and local taxes, and State assumes full responsibility for the payment of all federal, state and local taxes imposed or required under applicable law in connection with the performance of and compensation for the provision of services hereunder by Laborers under contract with PEN Products.

5. No Indemnification. State shall not provide indemnification to Contractor, nor shall it waive any of the provisions of the Indiana Tort Claims Act (Ind. Code § 34-13-3, *et. al*). However, State shall be solely responsible for all deaths, or damages to person or property, arising from (a) any act or omission of Laborers, PEN Products or its employees or agents, (b) any act or omission of State or its employees or agents, or (c) criminal malfeasance, negligence, willful misconduct, or recklessness of Laborers, PEN Products, State, or their respective employees or agents. Contractor shall be solely responsible for all deaths, or damages to person or property, arising from (a) its own acts or omissions, or those of its agents or employees, or (b) criminal malfeasance, negligence, willful misconduct, or recklessness of Contractor, or its respective employees or agents, except to the extent caused by Laborers, PEN Products, State, or their respective employees or agents.

6. Term; Termination. The term of this Addendum shall commence on the Effective Date and shall remain in force and effect until the earlier of the expiration or termination of the

Original Agreement, or termination of this Addendum as provided below. Either Party may terminate this Addendum:

- (a) immediately if the other Party is in breach of any of its obligations under the Agreement, and the other Party has failed to remedy such breach within thirty (30) days after receiving written notice requiring it to remedy that breach; or
- (b) for any other reason, upon ninety (90) days written notice to the other Party.

(remainder of page intentionally left blank)

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the contracting party, or that he/she is the representative, agent, member or officer of the contracting party, that he/she has not, nor has any other member, employee, representative, agent or officer of the firm, company, corporation or partnership represented by him/her, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid any sum of money or other consideration for the execution of this agreement other than that which appears upon the face of this agreement.

IN WITNESS WHEREOF, this Addendum is entered into as of the date first written above.

BUSINESS FURNITURE, LLC

("Contractor")

By: David G Bratton

Printed: DAVID G BRATTON

Title: C.E.O.

STATE OF INDIANA AGENCY:

IDOA Procurement Division

By: Katherine L. Harrington, CPPB

Printed: Katherine L. Harrington, CPPB

Title: Manager

Information Technology Oversight Commission

By: N/A

Printed: _____

Title: _____

Department of Administration

By: Carrie Henderson for

Carrie Henderson, Commissioner

State Budget Agency

By: Christopher Ruhl

Christopher Ruhl, Director

11-2-07

Office of the Attorney General

By: Steve Carter

Steve Carter, Attorney General

11-19-07

Exhibit A

**QUANTITY PURCHASE AGREEMENT
(ASA8-8-24 QPA #10331)**